

MINUTES OF THE SPECIAL MEETING OF THE TRINIDAD CITY COUNCIL
TUESDAY, MAY 10, 2016

I. CALL TO ORDER

- Mayor Fulkerson called the meeting to order at 6:00PM. Council members in attendance: Miller, Fulkerson, Baker. West – Absent.
- City Staff in attendance: City Manager Dan Berman, City Clerk Gabriel Adams.

II. PLEDGE OF ALLEGIANCE

III. ADJOURNMENT TO CLOSED SESSION

1. *Conference with legal council regarding active litigation. Tsurai Ancestral Society vs. City of Trinidad. Pursuant to California Government Code section 54956.9 (a)*

IV. RECONVENE TO OPEN SESSION

A settlement offer was made to the Tsurai Ancestral Society. Details will become public at a later date.

V. APPROVAL OF AGENDA

Motion (Fulkerson/Baker) to approve the agenda as written. Passed 3-0.

VI. APPROVAL OF MINUTES – No minutes to approve.

VII. COUNCIL MEMBER REPORTS:

West: (absent)

Baker: Nothing to report

Miller: The City has received numerous compliments to the Public Works Department for spring trimming of the trail system throughout town.

Fulkerson: HTA introduced the electric bus currently on order. Met 4 new families in town this month.

VIII. STAFF REPORTS:

City Manager Berman submitted a report to the City Council at the meeting highlighting various accomplishments and project status for the month.

IX. ITEMS FROM THE FLOOR:

Susan Rotwein – Trinidad

Crab season is finally open, everywhere except the area between the North Jetty and Orick. Encouraged the City to prioritize funding for the Measure Z match for a second sheriff deputy in 2016-2017. Neighbors on Ocean Avenue should be offered mediation support from the City because the City needs relief from them. It should assume a leadership role and offer to pay for the service to remove any barriers towards a compromise. We need to wrap our arms around those people and live as a community.

Jonna Kitchen – Trinidad

I live on Berry Road, and have recently welcomed 2 new families on our street. The north-bound park n ride along Frontage Road is becoming a focal point for crime once again, with an abandoned vehicle attracting bad energy. Crime and public safety should be our number 1 issue. The City should consider video taping or streaming it's meetings to give people who can't attend an opportunity to witness their government in action.

Alan Grau – Trinidad

I've been attending Planning Commission meetings for the last 8 months. The PC is concerned with T.O.T. revenue. Is this their job? Please instruct the PC to not focus on the necessity of this tax revenue.

Dorothy Cox – Trinidad

Concerned with safety on Ocean Avenue, and especially for the upcoming Fish Fest. Also concerned with transients parking in Ocean Alley that are associated with the residents.

X. CONSENT AGENDA

1. Accept Financial Status Reports for March 2016.
2. Draft Climate Change Report Comment Period
3. Letter of Support for Save Lives California, the \$2 per pack Tobacco Tax Act of 2016
4. Council request for staff update on ordinance and policies re: enforcement of safety and nuisance issues.
5. Cancel the Regular City Council Meeting set for Wednesday, May 11, 2016

Agenda item 4 was pulled for clarification. Fulkerson explained that the purpose of the future discussion item is to remind the community what the ordinances are and what the penalties are.

*Motion (Baker/West) to approve the consent agenda as amended. **Passed 3-0.***

XI. DISCUSSION/ACTION AGENDA:

1. Discussion/Decision to Appoint a new Councilmember to complete the remaining term through December 2018 left vacant by David Winnett's resignation.

The City has received (3) letters of interest from candidates willing to complete the remaining 2 ½ year term left vacant by the recent resignation of Councilmember David Winnett. The candidates are: **Doren Morgan, Susan Tissot, and Kathleen Lake.** All three are Trinidad residents and eligible to serve the remaining term through December 2018.

Mayor Miller explained that he received a call from candidate Susan Tissot late last night stating she regrettably could not attend the interview due to an emergency. He asked the Council if they would consider postponing this item to a future meeting. All agreed.

Public comment included:

Susan Rotwein – Trinidad

Life happens. I understand family obligations, but the other two eligible candidates cleared their schedules to attend tonight and should not be asked to reschedule. There will be more opportunities to serve in the future with the upcoming election right around the corner.

Jonna Kitchen – Trinidad

Agreed with Rotwein.

Council comments included:

Baker: Ok with postponing as long as a meeting date can be set sooner than later. Within a week or 2?

Fulkerson agreed.

Miller: I would like to hear from all 3 candidates. Suggested Thursday, May 19th as a proposed meeting date.

*Motion (Baker/Fulkerson) to reschedule the candidate interview for Thursday, May 19 at 6pm. **Passed 3-0.***

2. Discussion/Decision regarding Resolution 2016-05; Calling for an election to propose extension of the sales tax increase, and Resolution 2016-06; Election Consolidation

City Manager Berman explained that at the April 13, 2016 meeting, Council directed staff to prepare documentation for a ballot measure for the November election regarding continuation of the sales tax add on.

Accordingly, two resolutions are proposed for consideration:

1. Resolution Calling for Election to Extend the Increase of the Transaction and Use (Sales) tax for four years, starting on April 1, 2017 and
2. Resolution Requesting the County to render election services.

Staff contacted the Board of Equalization (BOE) regarding their assessed costs. They confirmed that if the add on continues at the same level, no set up charges are assessed.

There was no public comment.

By consensus, the Council agreed that the language of the ballot measure should better explain that this is a “continued” sales tax measure.

Motion (Baker/Fulkerson) to approve Resolution 2016-06; Election Consolidation, and bring back Resolution 2016-05 with the ballot measure re-worded to reflect that this is a “continued” measure. Passed 3-0.

3. Discussion/Decision regarding Resolution 2016-07; Amending Vacation Dwelling Unit Permit Fee.

City Manager Berman explained that the current fee schedule has the VDU license renewal fee at \$60. Council can increase the fee by resolution. Staff recommends increasing this fee to \$300. Reviewing the renewal applications this year will require time from the Building Inspector, City Planner, and City Manager, including field inspections for signage, parking, and interior building inspections of many homes.

Staff anticipates that the effort, and therefore the fee, for renewals will decline significantly in the future and plan to bring the fee back for consideration at that time. In the absence of a fee increase, the city’s costs in excess of the fees are borne by the general fund. The recommendation before the Council tonight is to adopt Resolution 2016-07 increasing the renewal fee for VDU Licenses to \$300.

Council questions/clarifications included:

Baker: Can Staff track time for implementation?

Miller: Septic and VDU programs are very time consuming.

Fulkerson: Does this include all background work and inspections? My socialist perspective envisions more of a sliding scale based on the per/night rate. Are enforcement costs being recovered?

Public comment included:

Barbara Wright – Trinidad

Seems like some of the Occupancy Tax should be used to cover these issues.

Steve Ruth – Trinidad

I share both Baker and Fulkerson’s concerns. All VDU’s should be handled equally.

Jonna Kitchen – Trinidad

On behalf of many VDU owners, she read a letter from Redding Attorney Walt McNeill, challenging the city’s authority to raise the fee, and questioned the legality of such fees distinguishing the difference between a fee and a tax.

Tom Davies – Trinidad

Someone should come in and analyze all fees for the City eventually. \$300 sounds fair to me.

Susan Rotwein – Trinidad

I agree with Tom. All fees should be looked at. Inspection time should be billed to the owner. However, this seems like a pretty extreme increase from last year’s initial fee.

Leslie Farrar – Trinidad

My proposal is to have the applicants pay all costs associated with their permit, and provide all verifications to the City. Let’s be professional about this instead of promoting a climate of distrust.

Alan Grau – Trinidad

Yearly inspections for all VDU’s should be required.

Council comments included:

Fulkerson: Tracking expenses and using Occupancy Taxes for enforcement are both good ideas. Let’s get the language straight regarding whether this is a fee or a tax. All VDU’s should be treated fairly, and all application materials should be supplied to the City at the time of submittal. \$300 seems ok to me.

Baker: It’s important to not charge more than what it costs to process the permit. \$300 seems conservative.

Miller: Should we have McNeill's letter reviewed by the City Attorney? I support moving forward today, and also having this issue addressed further. **Fulkerson** agreed.

*Motion (Baker/Fulkerson) to adopt Resolution 2016-07; increasing the application and renewal fees for VDU's to \$300. **Passed 3-0.***

4. Presentation/Discussion regarding Draft 2016-2017 Budget

City Manager Berman explained that staff is presenting an overview of the draft General Fund Budget for the coming year and seek Council and public input and guidance in preparing a draft final budget for adoption in June. The full general fund budget is a long list of revenue and expense accounts, spread across four categories – Administrative, Public Works, Police, and Fire. Staff is developing a summary format which groups expenses into broader categories for clearer presentation.

Revenue Discussion

Current estimates of General Fund Revenue are up slightly from the current year's budget, at almost \$600,000. This is based on current financials for this year. Expenses are higher in some areas, lower in others. For instance, the City budgeted for a wage analysis but has never completed the project. Since staff time is one of the biggest expenditures, the Council may want to consider this in the upcoming fiscal year if the City can afford it.

Sales Tax Measure - If the local sales tax measure is not renewed by the community this fall, it will expire next spring, reducing GF revenue by approximately \$25,000 in next year's budget, and \$100,000 in the subsequent year. Staff recommends assuming the measure does not pass for this budget, and revising the budget in the winter if it does. This puts a \$25,000 deficit in the budget without accompanying adjustments to expenses.

TOT Revenue – Staff assumes that revisions to the VDU Ordinance will not have a substantial impact on TOT revenue in the coming year's budget. Changes would not likely take effect until late in the fiscal year. As a revised ordinance gets closer to being finalized, and the timeline becomes clearer, staff will assess the budget impacts and propose any necessary budget adjustments.

Public Safety

The current budget includes \$188,000 in contract expenses with the County Sheriff. This includes one full time deputy at \$150,000 and one additional shift a week at \$38,000. We receive a state public safety grant for \$100,000 a year, leaving a general fund expense of \$88,000/yr. Partial success in applying for Measure Z funding presents an opportunity to increase our public safety coverage, but also presents a budgeting challenge. We applied for \$150,000 to cover a second full time deputy sheriff. The County is on track to approve half our request: \$75,000 for the coming year. That leaves us to come up with the other \$75,000. If we apply the 'extra shift' money, we are still left with an additional \$37,000 shortfall to cover the second deputy. The budget is barely in balance without this increased expenditure.

Public comment included:

Alan Grau – Trinidad

It would be worth doing a wage analysis due to questions about staff expenses.

Leslie Farrar – Trinidad

It is not worthwhile to spend money on a wage study. We should focus more on how much it costs the city to operate relative to how many people are in the town. Can we afford everything we're doing? Public safety should be the main priority.

Steve Ruth – Trinidad

I've seen a significant improvement in Trinidad over the last 10 years. Sales tax, street lights, Parks, Museum, Library, and the concerns for the environment surrounding us. Water is important too. This is a visitor-focused town. Unfortunately Trinidad ends up on the cover of Sunset and AAA magazines. Is there a reserve? And how is it being invested?

Tom Davies – Trinidad

Trinidad should consider hiring a retired security guard to drive around town with a flashlight at night.

Council comments included:

Fulkerson: Trinidad has national appeal. Many extra services are needed to keep the town running properly. Have the responsibility of being surrounded on 2 sides by the Pacific Ocean is huge. It is very tricky to do a population comparison. There is very little to compare it with. I feel very safe here. More police won't change the problem. Maybe we should look into having our own in-house Police Department again, or City Planner?

Miller agreed. Wages may be relatively low, and the cost of running a government that's responsive to it's residents is going up.

No decision was made. Presentation item only.

XII. ADJOURNMENT

Meeting ended at 9:15pm.

Submitted by:

Approved by:

Gabriel Adams
City Clerk

Dwight Miller
Mayor

